GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:2216
ANSWERED ON:12.12.2008
WB ESTIMATE ON GLOBAL POVERTY
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Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government is aware that the World Bank (WB) has released latest estimates on global poverty;

(b) if so,the details thereof with regard to India and reaction of the Government thereto; and

(c) the necessary action taken by the Government in light of this report?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRIMATI SURYA KANTA PATIL)

(a) Yes, Sir.

(b) & (c) The latest estimates on global poverty released by the World Bank indicate that India has moved from having 60% of its people living on less than $ 1.25 a day to 40% during 1981 to 2005.The number of people living below a $ a day (2005 Prices) has come down from 42% to 24% over the same period which is very close to the poverty estimates of Planning Commission of 27.5% for the year 2004-05.The World Bank has been using the`a dollar a day` yardstick for the first set of global poverty estimates used in the 1990 World Development Report on Poverty.The recent estimates have been released using International Poverty Benchmark of $ 1.25 a day.Both the World Bank estimates of poverty and the poverty estimates of Planning Commission based on different poverty estimates reveal that there has been a significant achievements in reduction of poverty in India.The difference in number estimated by the World Bank and by the Planning Commission are mainly on account of different methodologies used for the purpose.

Alleviation of poverty in the country especially in the rural areas has been one of the objectives of our Five Year Plans. The Government has taken various steps in the form of direct intervention to tackle the rural poverty. The Ministry of Rural Development is implementing a comprehensive wage employment scheme under National Rural Employment Guarantee Act (NREGA) with effect from 2nd Feb., 2006 which has now been extended to all the districts of the country. The Act guarantees 100 days of wage employment in a financial year to all the rural households whose adult members are willing to do the manual work. A self- employment programme of Swaranjayanti Gram Swarozgar Yojana (SGSY) is also being implemented through out the country under which the rural BPL households are organized into Self Help Groups (SHGs) and provided assistance in the form of credit and subsidy to set up economic activities which could generate incremental income for them on a sustainable basis. Similarly, the rural poor are also provided financial assistance for construction of houses which has a direct impact on improving their living conditions. The programmes of building rural infrastructure and basic amenities such as rural roads, drinking water supply, sanitation etc. are also aimed at improving the living conditions of the rural masses.